



## COMMUNITY DEVELOPMENT DEPARTMENT

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### PLANNING COMMISSION MEETING MINUTES

#### REGULAR MEETING

**FEBRUARY 24, 2009**

PRESENT: Acevedo, Koepp-Baker, Escobar, Lyle, Moniz, Mueller, Tanda

ABSENT: None

LATE: None

STAFF: Planning Manager (PM) Rowe, Senior Planner (SP) Tolentino, Senior Civil Engineer (SCE) Creer, and Minutes Clerk Johnson.

Chair Koepp-Baker called the meeting to order at 7:00 p.m., inviting all present to join in reciting the pledge of allegiance to the U.S. flag.

#### DECLARATION OF POSTING OF AGENDA

Minutes Clerk Johnson certified that the meeting's agenda was duly noticed and posted in accordance with Government Code Section 54954.2.

#### OPPORTUNITY FOR PUBLIC COMMENT

Chair Koepp-Baker opened the floor to public comment for matters not appearing on the agenda. Noting that no persons in attendance expressed a wish to address items not appearing on the agenda, the public hearing was closed.

#### CONSENT CALENDAR:

#### MINUTES:

**FEBRUARY 10,  
2009**

**COMMISSIONERS MUELLER/ESCOBAR MOTIONED TO APPROVE  
THE FEBRUARY 10, 2009 MEETING MINUTES WITH THE FOLLOWING  
CORRECTIONS:**

Page 6, paragraph 3:.....away *the automatic 15 allotments*.... Has *previously*....  
Allocations *and not started any*

Page 12, paragraph 2: Commissioner ~~Moniz~~ *Lyle* said, "It would be helpful to know the  
typical parking requirements for a typical theater."

Page 16, paragraph 3 (motion): ..... ~~CONSTRUCTION/RENOVATION~~  
.....~~RETURNED TO THE TO~~....

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**THE MOTION PASSED (7-0-0-0) WITH THE FOLLOWING VOTE: AYES: ACEVEDO, KOEPP-BAKER, ESCOBAR, LYLE, MONIZ, MUELLER, TANDA; NOES: NONE; ABSTAIN: MONIZ (agenda item 1 only); ABSENT: NONE.**

## **PUBLIC HEARINGS:**

*Commissioner Moniz was excused at 7:07 p.m. due to the potential for conflict of interest as he has represented some of the applicants who have an interest in items to be heard with this agenda item.*

## **1) FINAL AWARD AND DISTRIBUTION OF THE RDCS SMALL PROJECT, MULTI-FAMILY RENTAL AND OPEN MARKET PROJECT COMPETITIONS FOR THE FY 2010-2011 BUILDING ALLOTMENT**

Item 1 PM Rowe gave the staff report, noting this matter had been continued from the February 10, 2009 Planning Commission meeting. PM Rowe then proceeded to provide an overview of the City Council policy for ongoing RDCS projects, and allowable exceptions to that policy. He then recounted the nuances of the various projects under discussion, and went on to detail the alternatives for South Valley Developers (MC-08-23) which staff had been directed to regard. Referencing the prepared Resolution, PM Rowe told the Commissioners the following allocations were recommended:

### **BUILDING ALLOCATIONS FOR THE 2008 RDCS COMPETITION**

<b>Fiscal Year 2010 – 2011</b>	
MC-08-18: Monterey – Dynasty	<b>68</b>
MC-08-24: W. Dunne – So. Valley Dev.	<b>8</b>
MC-08-13: Clayton – O’Brien	<b>5</b>
MC-08-17: E. Central – Sheng	<b>17</b>
MC-08-16: Peet – Borello	<b>23</b>
MC-08-22: Murphy – Pan Cal	<b>24</b>
MC-08-23: E. Dunne – So Valley Dev.	<del>12</del> <b>18</b> **
<b>Set-aside for On-going Projects</b>	
MC-04-12: E. Dunne – Dempsey	<b>15</b>
MC-04-21: Barrett – Syncon Homes	<b>15</b>
MC-04-22: Jarvis – So. Valley Dev.	<del>15</del> <b>9</b> **
MC-04-26: Mission View – Mission Ranch	<b>15</b>
<b>Building allotment awarded to Micro Projects</b>	
MMC-08-14: McLaughlin - Malech	<b>4</b>
<b>Total</b>	

**and** for Fiscal Year 2011 - 2012:

MC-08-24: W. Dunne – So. Valley Dev.	<b>6</b>
MC-08-13: Clayton - O’Brien	<b>2</b>
MC-08-17: E. Central - Sheng	<b>15</b>
<b>Total</b>	<b>23</b>

\*\*Noting the interest generated by the presentation of South Valley Developers to consider allocations for the MC-08-23 along Church and East Dunne Streets, PM Rowe outlined the transfers (6 allocations from MC-04-22) to that project.

Chair Koepp-Baker opened the public hearing.

Scott Schilling, 16060 Caputo Drive, #160, indicated agreement with the staff report and thanked staff for the hard work on this matter.

Commissioner Lyle asked if Mr. Schilling were satisfied that he could make the ‘award

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work' by having the units committed along Dunne and Church? Mr. Schilling responded, "Yes, that makes the most sense from both a development and economic standpoint."

*In response to another of Commissioner Lyle's questions, Mr. Schilling indicated that the units transferred to the E. Dunne project would start at least as soon as they would have with the Jarvis project.*

Vince Burgos, Development Process Consultants, asked the record to show that on page 3 of the staff report (Open Market Category/Peet-Borello) that the last sentence of the second paragraph refers only to the E.Main-Ahlin project, not the Borello project.

With no others in attendance indicating a wish to speak to the issue, the public hearing was closed.

**CALLING ATTENTION TO THE FINDINGS AND CONDITIONS CONTAINED THEREIN, COMMISSIONER MUELLER OFFERED A RESOLUTION APPROVING THE DISTRIBUTION OF THE BUILDING ALLOTMENTS IN THE RESIDENTIAL DEVELOPMENT CONTROL SYSTEM MULTI-FAMILY RENTAL, SMALL PROJECT AND OPEN/MARKET COMPETITIONS FOR THE FISCAL YEAR 2010-11; AND RECOMMENDING A PARTIAL ALLOCATION FOR FISCAL YEAR 2011-12, AS WELL AS NOTING THE FOLLOWING CHANGES INDICATED DURING STAFF DISCUSSION:**

MC-08-23: E. Dunne - So Valley Dev.	<del>12</del> 18
MC-04-22: Jarvis – So. Valley Dev.	<del>15</del> 9

**(BOTH OF WHICH WERE REQUESTS BY THE DEVELOPER). COMMISSIONER ESCOBAR PROVIDED THE SECOND TO THE MOTION, WHICH CARRIED (6-0-0-1) WITH THE FOLLOWING VOTE: ACEVEDO, KOEPP-BAKER, ESCOBAR, LYLE, MUELLER, TANDA; NOES: NONE; ABSTAIN: NONE; ABSENT: MONIZ.**

*Commissioner Moniz returned at 7:17 p.m. to be seated on the dais.*

**2) DAA-07-02C/ DSA-07-18C: CORY-HABITAT FOR HUMANITY** A request to amend the project development agreement and development schedule for the six unit project located on the east side of Cory Ave. approximately 80 ft. south of San Luis Way. The amendments would extend the commencement of construction dates and the development schedule dates by 12 months.

PM Rowe presented the staff report, giving the background:

- the project had received approvals in early 2008; however, neighborhood concerns regarding the project design had to be resolved, creating an added six months of processing time
- more recently, budget issues coupled with the slow down in the economy have caused difficulties
- now the Habitat of Silicon Valley group is working to obtain funding expected to become available

PM Rowe advised that staff recommends the prepared resolution, and calling attention to the need to delete the last paragraph of Exhibit A. Responding to a comment from

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Commissioner Lyle, PM Rowe acknowledged the date change/correction on page two of the staff report.

Chair Koepp-Baker opened the public hearing.

H.P. (Hector) Burgos, 17305 Monterey Rd., #205, was present to represent Habitat of Silicon Valley. Mr. Burgos provided an update of the efforts of the group at this site:

- civil engineering plans are into the City for final review
- landscaping plans in final review
- Conditions of Approval: minor architectural changes have been made
- fundraising for primary mortgage has been slow due to the economy and is not yet complete; looking for \$500K funding
- bonds and grant delayed by budget upheaval at the State level

Commissioner Mueller asked if the recipient family has been selected? Mr. Burgos replied, "No, we have identified some, but the final selection has not been made. We are now waiting for the formation of the HOA and do documents from the CA Department of Real Estate."

*Disclosure: Commissioner Moniz has done volunteer work on this project, but confirmed with ~~his~~ the City Attorney that no conflict exists to prohibit him from voting on this item.*

**COMMISSIONER MUELLER OFFERED A RESOLUTION, INCLUSIVE OF THE FINDINGS AND CONDITIONS CONTAINED THEREIN, RECOMMENDING APPROVAL OF DEVELOPMENT AGREEMENT AMENDMENT APPLICATION DAA-07-02C: CORY-HABITAT FOR HUMANITY FOR APPLICATION MP 01:06: SAN PEDRO-DiCONZA TO ALLOW FOR A 12 MONTH EXTENSION OF TIME FOR COMMENCEMENT OF CONSTRUCTION DATE FOR ALLOCATIONS AWARDED FOR THE FISCAL 2007-08. COMMISSIONER MONIZ SECONDED THE MOTION, WHICH PASSED (7-0) WITH THE FOLLOWING VOTE: ACEVEDO, KOEPP-BAKER, ESCOBAR, LYLE, MONIZ, MUELLER, TANDA; NOES: NONE; ABSTAIN: NONE; ABSENT: NONE.**

**COMMISSIONER MUELLER OFFERED A RESOLUTION, INCLUSIVE OF THE FINDINGS AND CONDITIONS CONTAINED THEREIN, APPROVING AN AMENDMENT TO THE DEVELOPMENT SCHEDULE FOR APPLICATION MP 91-06: SAN PEDRO-DiCONZA. NOTING THE NEED TO DELETE EXHIBIT A, PARAGRAPH 3<sup>RD</sup> <only>, COMMISSIONER MONIZ PROVIDED THE SECOND TO THE MOTION, WHICH PASSED (7-0) WITH THE FOLLOWING VOTE: ACEVEDO, KOEPP-BAKER, ESCOBAR, LYLE, MONIZ, MUELLER, TANDA; NOES: NONE; ABSTAIN: NONE; ABSENT: NONE.**

### **3) UPA-00-02: LLAGAS-OLD MORGAN HILL ELEMENTARY SCHOOL**

A request to amend the conditional use permit relating to the operation of a private elementary school located at 410 Llagas Rd. The proposed amendment would allow the current enrollment limit of 130 students to increase by 70 students to a maximum enrollment of 200 students. The project site is zoned R-1 (7000) single family residential.

PM Rowe gave the staff report, noting that this application is for an existing private

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school. He explained that Planning staff has not been able to complete the necessary processing and is requesting continuance to the March 10 Planning Commission meeting.

*Disclosure: Chair Koepp-Baker had discussion (only) with a Principal at the school about a month ago.*

Chair Koepp-Baker opened, and then closed, the public hearing as there were none in attendance to speak to the matter.

**COMMISSIONERS MUELLER/ESCOBAR MOTIONED TO CONTINUE THE MATTER OF UPA-00-02: LLAGAS-OLD MORGAN HILL ELEMENTARY SCHOOL TO THE MARCH 10, 2009 PLANNING COMMISSION MEETING IN ORDER TO PROVIDE ADEQUATE TIME FOR STAFF TO COMPLETE PROCESSING OF THE MATTER. THE MOTION PASSED (7-0) WITH THE UNANIMOUS AFFIRMATIVE VOTE OF ALL THE COMMISSIONERS PRESENT; NONE WERE ABSENT.**

*As noted on the printed agenda, items 4 and 5 were considered concurrently.*

**4) ZA-08-06:  
CONDIT-KUBO**

The applicant is requesting approval of a zoning amendment to establish a precise development plan and planned development (PD) guidelines to allow future construction of three auto dealerships and the inclusion of an existing auto dealership (The Ford Store) in a PD area located between Condit Rd. and Highway 101, directly south of Diana Ave. The PD area is 25.86 acres in size and is zoned PUD, Planned Unit Development; car dealerships are currently permitted uses within the PD.

AND

**5) ZAA-98-16B:  
CONDIT-  
HORIZON  
LAND/FORD  
STORE**

The applicant is requesting approval to amend an existing precise development plan and PD guidelines for an area referred to as the Horizon Land PD, located between Condit Rd. and Highway 101, approximately 1,130 ft. south of Diana Ave. The purpose of the amendment is to exclude The Ford Store dealership from the Horizon Land PD so that it may be included in an adjacent PD area proposed specifically for auto dealerships.

SP Tolentino gave the staff report, explaining the history of how both PD areas were established. Explaining the detail of this two-part request further, SP Tolentino said, "The action being requested is to: 1) amend the development plan and PD guidelines for the Horizon Land PD to exclude the existing Ford Store dealership, and 2) establish a development plan and PD guidelines for a proposed Auto Park PD, which would include the existing Ford Store and allow future construction of three additional dealerships. SP Tolentino said the applicant has provided information that this model is consistent with other existing dealerships in Northern California.

Regarding the Auto Park PD, SP Tolentino highlighted features of the plan:

- cross circulation between the four dealerships
- ingress/egress to be shared
- PD guidelines specific to auto dealerships

SP Tolentino also referenced the revision to the proposed resolution for the Horizon Land PD which was distributed at this meeting:

- page 8: correction to item 62 (regarding truck deliveries)
- revision to title

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Chair Koepp-Baker opened the public hearing.

Vince Burgos, Development Processing Service, addressed the Commissioners, saying he had been working with staff on the application, as well as with the applicant.

Mr. Burgos reiterated the intent of the request: moving the Ford Dealership from one Planned Development to another as the Ford Store is 'looking at expanding with more dealerships in one PD'. Mr. Burgos acknowledged that Tim Paulus is still with this project, and is "Looking to be ready when the market improves."

Commissioner Lyle noted there was a question as to whether this design represents the 'state of the art' for auto dealerships, and asked "What is that?" Mr. Burgos replied, "How the buildings are designed and function. For example, the older dealerships function with sales at the front and service at the rear. The proposed concept presents the dealership differently – the functions will be more complete for new and existing auto owners. There may be more interaction between the different dealerships as well."

Commissioner Lyle asked, "Why is this request coming forward now as we've been hearing that the number of dealerships will most likely be substantially reduced." Mr. Burgos responded, "Yes, that is true. But the property owner is now telling us that he believes the state of the art dealership planning is essential."

Commissioner Mueller commented, "The whole industry <auto> is in a state of flux now. I perceive the applicant wants to be sure what will be built reflects more modern approaches to selling cars and not look backward." Commissioner Mueller expressed concern the project layout represents the old way of designing auto dealerships.

Mr. Burgos reiterated that the owner is not focusing on product but how the building works internally, as he repeated the focus of 'all in the lobby' for the buyer. "Right now," he said, "we can't anticipate changes for the future."

Commissioner Lyle led discussion of freeway signage. Mr. Burgos said the applicant 'wants to move ahead with the sign as described in the staff report'. Asked by Commissioner Lyle if the applicant would be agreeable to installing the freeway sign only after a second dealership was established in the PD, Mr. Burgos indicated that would not create a problem.

With no others in the audience indicating a wish to speak to the matter, the public hearing was closed.

**COMMISSIONER MUELLER** said, "I'm prepared to move forward", and then **OFFERED A RESOLUTION RECOMMENDING APPROVAL OF A ZONING AMENDMENT TO ESTABLISH A DEVELOPMENT PLAN AND GUIDELINES FOR A PLANNED DEVELOPMENT DISTRICT ON A 25.92-ACRE SITE LOCATED AT THE SOUTHWEST CORNER OF CONDOT ROAD AND DIANA AVENUE TO ALLOW FOR THE CONSTRUCTION OF THREE NEW AUTO DEALERSHIPS AND ONE EXISTING DEALERSHIP, WITH THE MODIFICATIONS SO NOTED:**

- **A map of the approved, designated test driving route shall be included in the Sales Employee Handbooks for all dealerships located within the Auto**

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**Park PD.**

- **The freeway sign shall not be installed until after a second dealership is established within the Auto Park PD.**

**NOTING THE FINDINGS AND CONDITIONS CONTAINED WITHIN THE RESOLUTION, COMMISSIONER ESCOBAR PROVIDED THE SECOND, AND NOTED THAT THE DISTRIBUTED REVISED RESOLUTION WAS BEING DISCUSSED. THE MOTION PASSED (7-0) BY THE FOLLOWING VOTE: ACEVEDO, KOEPP-BAKER, ESCOBAR, LYLE, MONIZ, MUELLER, TANDA; NOES: NONE; ABSTAIN: NONE; ABSENT: NONE.**

**COMMISSIONER MUELLER OFFERED A RESOLUTION RECOMMENDING APPROVAL TO AMEND THE DEVELOPMENT PLAN AND GUIDELINES FOR THE HORIZON LAND PD LOCATED AT THE NORTHEAST QUADRANT OF E. DUNNE AVE. AND HWY 101 TO EXCLUDE THE FORD STORE DEALERSHIP SITE, INCLUSIVE OF THE FINDINGS AND CONDITIONS CONTAINED THEREIN, TOGETHER WITH THE CHANGES TO PAGE 8 PROVIDED AT THE ONSET OF THE MEETING. COMMISSIONER ESCOBAR SECONDED THE MOTION, WHICH PASSED (7-0) WITH THE FOLLOWING VOTE: ACEVEDO, KOEPP-BAKER, ESCOBAR, LYLE, MONIZ, MUELLER, TANDA; NOES: NONE; ABSTAIN: NONE; ABSENT: NONE.**

**6) UP-09-01:  
MONTEREY-  
CITY OF MH  
PARKING LOT**

The Morgan Hill Public Works Department is requesting approval of a conditional use permit to construct and operate an interim public parking lot on a 0.26-acre site located at 17270 Monterey Rd. in the CC-R, Central Commercial-Residential Zoning District.

SP Tolentino presented the staff report, explaining the required findings\* for a Conditional Use Permit (CUP) at the site proposed (0.26 acres). This proposal, she said, will provide a surface parking lot of 13 spaces during construction activity in the downtown area including on Third Street.

- \*site suitability – relatively level lot; contains three trees, one of which will be retained; proximity to future construction areas; and opportunity to connect with existing parking lot
- \*circulation – no adverse effects anticipated; connects with existing parking lot
- \*general welfare – project will most likely benefit area businesses by providing parking during construction activity
- \*design compatibility - 13 parking spaces, new lights (similar to others downtown), on-site detention, and minimal landscaping

Commissioner Lyle asked about the depth of the detention and if there would be a barrier of some type around it, as he indicated, “It is very near the sidewalk.” SP Tolentino said, “The design is for it to be shallow enough whereby no fencing is required.”

*SCE Creer joined the meeting at the request of the Chair.*

Commissioner Moniz called attention to page 3 of the staff report, asking if crushed granite had been explored? He noted that the Granary project had a portion of the parking lot covered with crushed granite.

SP Tolentino reminded the Commission that the City looked into the use of permeable

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pavement at the interim parking lot on Depot. It was determined the thick clay layer in the area precluded the site from being a suitable candidate for permeable pavement. Based on soil samples collected near the current project site, the Monterey interim parking lot was also determined to be unsuitable for permeable pavement.

Commissioner Moniz asked if there was plan for placing concrete curb work? SCE Creer responded, "We could use AC curb materials, but there is a tendency for that to deteriorate in hot weather." He then addressed the usefulness of putting other substances as an alternate in the bid."

Commissioner Lyle led discussion of the presented budget items,

- contingency amount (10%)
- cost of decorative streetlights
- maintenance cost of different types of lights

Chair Koepp-Baker remarked that the staff report seems to limit the time period for placement of the parking lot to three years. "If the downtown takes longer than three years why that limit?" she asked.

SP Tolentino called attention that the Code definition for 'interim' is three years. "You can amend the Use Permit, but our hope is that at the end of three years the City will be able to move ahead with plans on this and adjacent properties. Chair Koepp-Baker continued, "Can we remove that limit or modify it to state, 'no less than XX years or up to XX years?"

SP Tolentino advised, "It could be extended to 5 years or you could include a provision for a one-time automatic extension."

Chair Koepp-Baker remarked, "Planning staff is squeezed down now with an increased workload and I just want to be able to make things better and easier for you and us."

Commissioner Tanda asked for an update on the effectiveness of the existing speed humps near the project site. SCE Creer responded there had not been recent discussion, but when the Monterey Road <possible> reconfiguration is visited, the speed humps would be considered. Commissioner Tanda said, "It will be important to have discussion/analysis of slowing/claming traffic for pedestrian crossings in the downtown."

Commissioner Mueller expressed the belief that the parking lot project may well extend beyond three years. "Since the adjacent property is not being developed, it would have been nice to have an L-shaped parking lot connecting to the RDA property on Fourth Street so that vehicles could exit onto Fourth". Commissioner Mueller continued, "It would have been better to add parking even if multiple owners were involved. SCE Creer responded, "We are not precluded from having that happen, but we need to get parking done for the Third Street promenade construction."

Chair Koepp-Baker opened, and then closed, the public hearing, having determined there were no persons present to speak to the matter.

Responding to questions from the Commissioners, PM Rowe clarified that under the Municipal Code, the Commissioners could include language which could provide for an



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automatic extension if circumstances were still valid. Commissioner Acevedo asked if an Administrative Review would be appropriate? Commissioner Lyle cautioned against an Administrative Review with the City being the applicant.

**COMMISSIONER MUELLER OFFERED A RESOLUTION, INCLUDING THE FINDINGS AND CONDITIONS CONTAINED THEREIN, RECOMMENDING APPROVAL OF A CONDITIONAL USE PERMIT TO CONSTRUCT AND OPERATE AN INTERIM PUBLIC PARKING LOT ON A 0.26-ACRE SITE LOCATED AT 17270 MONTEREY ROAD IN THE CC-R, CENTRAL COMMERCIAL-RESIDENTIAL ZONING DISTRICT; AND ADDING SECTION 4c:**

**A one time, two-year extension of the use permit approval may be granted administratively provided the following apply: the parking lot is still needed to serve the downtown area; the project is in compliance with the original conditions of approval; and an informational report is presented to the Planning Commission before an administrative extension is granted to provide the Commission an opportunity to discuss any concerns regarding an extension.**

**COMMISSIONER ESCOBAR SECONDED THE MOTION, WHICH PASSED (7-0) WITH THE FOLLOWING VOTE: ACEVEDO, KOEPP-BAKER, ESCOBAR, LYLE, MONIZ, MUELLER, TANDA; NOES: NONE; ABSTAIN: NONE; ABSENT: NONE.**

**ANNOUNCEMENTS** PM Rowe advised of the necessity to commence the subcommittee meetings for the RDCS criteria review. Following brief discussion, it was decided that the meetings will be on Thursday afternoons at 4:00 p.m. for a two hour block. Having determined that most of the subcommittee members would attend, Chair Koepp-Baker announced that the subcommittee will meet weekly for 4 – 6 weeks starting ‘next Thursday’.

**CITY COUNCIL  
REPORTS:** None

**ADJOURNMENT:** With no further business to be completed at this evening’s meeting, Chair Koepp-Baker adjourned the meeting at 7:58 p.m.

**MINUTES RECORDED AND PREPARED BY:**

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**JUDI H. JOHNSON, Minutes Clerk**